10. Prof. Shankar N. Acharya,
Former Chief Economic Advisor, Ministry of Finance and
Honorary Professor, ICRIER

Co-opted Members

Shri N.K. Singh,
Former Member, Planning Commission

Shri Nitin Desai,
Former Dy. Secretary-General UN Conference on Environment and Development and Presently Honorary Professor, ICRIER

Ms. Chanda Kochhar,
Dy. Managing Director,
ICICI Bank Limited

Overseas Members

Prof. Arvind Panagariya,
Professor of Economics and Bhagwati Professor of Indian Political Economy, Columbia University.

Member Secretary

Dr. Rajiv Kumar,
Director and Chief Executive.

Rise in tyre prices despite reduction in duties

1701. SHRIMATI JAYA BACHCHAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that despite reduction in the duties, prices of tyres have been going up; if so, what are the reasons therefor; and

(b) what steps Government have taken to address this situation?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) Tyre is a de-licensed and de-reserved item. Tyre prices are determined by market forces. Tyre prices have increased primarily due to increase in input-prices and increased demand for tyres.

(b) Government has reduced customs duty from 12.5% to 10% to make imports of tyres cheaper and augment the supply of tyres. Under Regional Trade Agreements, tyres can also be imported at preferential rates of customs duty which would be lower than 10%.

Review of spices and plantation sector in Kerala

1702. SHRI ABDUL WAHAB PEEVEE: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Governrnent propose to review the spices and plantation sector in Kerala in the near future;

(b) whether any plan has been chalked out to invest Rs. 5,000 crore in Kerala's agriculture sector; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) to (c) The spices and plantation sectors in the country including in the State of Kerala are receiving constant attention of the Government. For overall development of these sectors, a number of Plan Schemes are being implemented by the Government through Commodity Boards, under which financial/technical assistance is provided for development of these Sectors. As an ongoing process, the schemes are monitored and reviewd from time to time.

Some of the important programmes in the plantation and agriculture sector are as given below:—

Tea: Government has already launched in January, 2007 a Special Purpose Tea Fund (SPTF) to extend financial support to the tea growers to take up replanting and rejuvenation of the old tea areas. The scheme envisages accelerating the pace of replanting and rejuvenation by ensuring availability of funds to the extent of 75% of the unit cost by way of long term loan (50%) and subsidy (25%). The growers are required to bring in 25% of the total cost.

Coffee: The Government has proposed a similar scheme for coffee replantation, on the lines of SPTF for the revival of old and senile coffee plantations which are uneconomical in the present conditions. Coffee Board has identified about 80,000 hectares of coffee area out of total of 3.81 lakhs hectares, which are uneconomical and requires to be replanted to improve farm productivity to desired levels in the long run. An outlay of Rs. 180.00 crore has been proposed by the Coffee Board in the Eleventh Plan for this purpose.

Rubber: Rubber Board has formulated a proposal for replanting 33,500 hectare of old and uneconomical rubber plantations in the country with an outlay of around Rs.50.00 crore in the Eleventh Plan for payment of planting grant @ 25% of the development cost.

Spices: Spices Board have submitted a proposal for replantation and rejuvenation of cardarmom plantation on the lines of SPTF for tea with a subsidy component of Rs. 211.35 crore covering about 65,000 hectares for small and large cardarmom plantation under the Eleventh Plan.

There is a proposal for replantation/rejuvenation of about 2 lakh hectares of pepper in Kerala over a period of ten years under the National Horticulture Mission at an estimated cost of Rs.300.00 crores.

Cashew: It is proposed to undertake rejuvenation programmes of cashew in 6 cashew growing States during Eleventh Plan under National Horticulture Measures at an estimated cost of Rs.30.00 crores.

Coconut: There is a proposal with Department of Agriculture for replanting and rejuvenation of coconut gardens in traditional coconut growing States to cover an area of 4.56 lakh hectares with total estimated project cost of Rs.4, 766.66 crores

over a span of 6-7 years with financial assistance to the extent of Rs.1358.62 crores.

Coffee plantation in Andhra Pradesh

1703. SHRIMATI N.P. DURGA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the coffee plantation in Andhra Pradesh is giving excellent results, besides providing employment to local tribal communities of the Eastern Ghats;

(b) whether it is a fact that presently in more than 5,00 hectares of forest land there is coffee plantation in Andhra Pradesh;

(c) whether any proposal by the Andhra Pradesh Forest Development Corporation has been submitted to the Ministry for expansion of coffee plantation in the same zones since the climate and other conditions are suitable for coffee cultivation; and

(d) if so, the reasons for not allowing the APFDC for expansion of coffee plantations?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRJ JAIRAM RAMESH): (a) and (b) Yes, Sir.

(c) No, Sir.

(d) Does not arise.

Ban on import of rice, ground-nuts and oil seeds by Russia

†1704. SHRI SATYAVRAT CHATURVEDI:
SHRI MOTILAL VORA:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Russia has imposed a ban on import of rice, ground-nuts and oil seeds since 1st May, 2007;

(b) if so, the details thereof;

(c) what action is being taken by the Government against those traders who have not complied with the quality control norms in export and have tarnished the image of the country; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) and (b) Yes, Sir. The ban had been imposed with effect from 1st June, 2007 on the ground of (a) detection of impermissible levels of pesticides in rice (b) grain pests

†Original notice of the question was received in Hindi.